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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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March 15, 1993

92-297

Delivered Via Federal Express

Office of the Secretary
Federal Communications Commission
Washington, D.C. 20554

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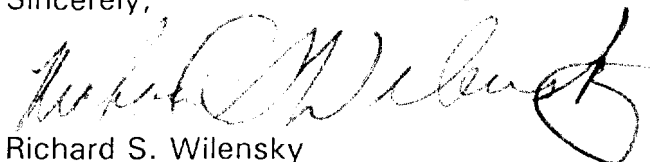
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Dear Sir or Madame:

Pursuant to applicable procedures set forth in Sections 1.415 and 1.419 of the Commission's Rules, 47 C.F.R. §§ 1.415 and 1.419, enclosed herein is an original and five (5) copies of the Comments of Cellular Television Associates, Inc.

If you need any additional information, please feel free to call me at the telephone number referenced above.

Sincerely,



Richard S. Wilensky

RSW:wnm
Enclosures
cc: Joe King (w/enclosure)

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Its Attorneys

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON, D.C. 20554

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OFFICE OF THE SECRETARY

In the Matters of	§	
	§	
Rulemaking to Amend Part 1 and Part 21	§	CC Docket No. 92-297
of the Commission's Rules to	§	
Redesignate the 27.5 - 29.5 GHz	§	RM-7872; RM-7722
Frequency Band and to Establish Rules	§	
and Policies for Local Mutlipoint	§	
Distribution Service;	§	
	§	
Applications for Waiver of the	§	
Commission's Common Carrier Point-to-	§	
Point Microwave Radio Service Rules;	§	
	§	
Suite 12 Group Petition for Pioneer's	§	PP-22
Preference;	§	
	§	
University of Texas - Pan American	§	
Petition for Reconsideration of	§	
Pioneer's Preference Request Denial	§	

To: The Commission

COMMENTS OF CELLULAR TELEVISION ASSOCIATES, INC.

Cellular Television Associates, Inc. ("CTA"), through undersigned counsel, hereby submits its Comments in response to the above-referenced Notice of Proposed Rulemaking, Order, Tentative Decision and Order on Reconsideration, released January 8, 1993 in connection with a petition for rulemaking filed by Suite 12 Group ("Suite 12") and in response thereto, petition for rulemakings affecting the 27.5-29.5 GHz frequency range ("28 GHz band") filed by Video/Phone Systems, Inc. and Harris Corporation.

CTA supports Suite 12's proposed redesignation of the 28 GHz band for a multipoint distribution service. Because of the novel technology offered by the Suite 12 cellular distribution format, CTA believes the Commission should adopt licensing procedures which will provide consumers with the quickest access to such technology.

SUMMARY OF COMMENTS

1. CTA supports the request of the University of Texas to reserve one-half the available 28 GHz band for educational use.

2. CTA supports the Commission's proposal to license LMDS by the 487 "Basic Training Areas" (BTA's) identified in the Rand McNally 1992 Commercial Atlas and Marketing Guide.

3. CTA supports adoption of cross-ownership rules restricting operators from ownership of 28 GHz facilities and other competing telecommunications facilities within the same license area.

4. CTA supports the Commission's proposal that licenses be awarded by random selection; that licensees be barred from transferring an LMDS license until the system has been constructed; that LMDS applications be the "letter perfect" standard; and that applicants be required to meet the "firm financial commitment" standard.

DISCUSSION

1. Suite 12's technology contains many features desirable for both primary and higher education. These include interactive services; data transmission services; and video teleconferencing. Reservation of one-half the available 28 GHz band for public or private educational purposes would encourage the maximum exploitation of the technology for educational purposes, and reduce the effective costs of introducing such services. We note that school systems have been forced to carry commercial advertising on recently introduced educational cable and direct broadcasting to cover capital and programming costs. If one-half the available 28 GHz band were reserved for educational purposes, these costs could be offset in whole or part by commercial sub-licensing. Since many, if not all, services proposed to be offered on the 28 GHz band are already offered by competing delivery systems, there is not an overriding need for competing commercial operators in the same service area.

2. CTA believes smaller service areas will lead to a more rapid development of LMDS service and therefore supports licensing by the 487 "Basic Trading Areas" identified in the Rand McNally

1992 Commercial Atlas and Marketing Guide. CTA believes that a greater number of service areas will result in a larger number of operators. Each operator will have a greater financial incentive to develop its licensed area than if the industry were dominated by fewer operating companies. The capital costs of developing the LMDS system are significantly below that of competing CATV systems, and CTA therefore does not believe that economies of scale is a significant factor favoring larger service areas.

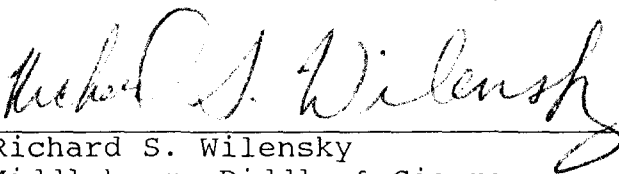
3. The Commission has recommended against cross-ownership restrictions in view of the uncertainty of the initial or predominant use of LMDS systems. While acknowledging this uncertainty, CTA believes that cross-ownership restrictions should be imposed to prevent anti-competitive activity by cable or telephone operators who are or may become involved in video distribution in the licensed area. There does not appear any benefit to the consumer to allow an operator to use two or more communications media to provide the same service in the same licensed area. This reasoning led Congress to prohibit cross-ownership with respect to MMDS licenses in the Cable TV Consumer Protection and Competition Act of 1992, and we believe it should be extended to LMDS licenses.

4. The Commission has proposed an application procedure designed to foster prompt exploitation of LMDS technology. In particular, CTA supports random selection using the "letter perfect" standard; a "firm financial commitment" standard for applicants; a commitment to provide service to 90% of the population within the service area within 3 years; and a rule against settlements and alienation of interests in an application. With respect to the alienation issue, however, CTA requests clarification that the financial institution providing a firm financial commitment to an applicant not be precluded from selling participations in any debt financing. Secondly, with respect to the commitment to provide service to 90% of the population within the service area within 3 years, CTA requests clarification that

the term "service" encompasses only video distribution services,
inasmuch as the other uses of the assigned band may depend on local
demand.

Respectfully submitted,

Cellular Television Associates, Inc.

By: 
Richard S. Wilensky
Middleberg, Riddle & Gianna
214/220-6334

March 15, 1993

Its Attorneys